

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1685

ANSWERED ON:25.11.2016

Loan to Women Entrepreneurs

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Will the Minister of FINANCE be pleased to state:

- (a) the targets fixed/achievements made by the Public Sector Banks (PSBs) and National Banks for Agriculture and Rural Development (NABARD) to the loans extended to women entrepreneurs during the last three years along with its comparison to the total loans sanctioned, banks/State/UTs-wise;
- (b) whether the applications of women entrepreneurs for loan are not considered seriously by banks in small cities, if so, the details thereof;
- (c) whether the Government has formulated any policy for removing the obstacles being faced by women entrepreneurs for obtaining the loans;
- (d) if so, the details thereof and if not, the reasons therefore; and
- (e) the steps taken/being taken by the Government to ensure the easy availability of loan to women entrepreneurs to fulfil their requirements?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a): Reserve Bank of India (RBI) has advised all Public Sector Banks (PSBs) to earmark 5% of their net bank credit for lending to women. The data on credit flow to women by PSBs for last three years is at Annex.

National Banks for Agriculture and Rural Development (NABARD) does not extend direct loans to women entrepreneurs.

(b) to (e): Every bank has its Board approved loan policy keeping in view RBI norms on exposure, risk assessment, approval process, etc. Further, every bank lays down its risk parameters and has its own integrated risk management and control system. Several banks offer various financial products which are either exclusively for women borrowers or have concessions built in for them. These products provide extra benefits and attractive terms for a wide range of loan products from home loans and vehicle loans to business and personal spending. Benefits are also extended in cases where the woman is a co-borrower. Banks also organize Entrepreneurs Development Programmes (EDPs) exclusively for women entrepreneurs.

Further, there are several schemes of government at Central and State level which provide special incentives and concessions to women entrepreneurs which inter-alia include Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Mahila Coir Yojana of Mo/MSME, Support to Training and Employment Programme (STEP), Swayamsiddha Scheme of Department of Women and Child Development, Rashtriya Mahila Kosh (Non Credit Fund for Women), etc.

The Stand up India (SUI) Scheme launched in April 2016 facilitates bank loans between Rs.10 lakh to Rs.1 crore to at least one women borrower per bank branch for setting up a Greenfield (new) enterprise. Under the scheme loans amounting to Rs. 3,261 crore have been sanctioned to 15,957 women beneficiaries during the current Financial Year. Under the Pradhan Mantri Mudra Yojana, loans amounting to Rs. 82,183 crore have been sanctioned to 2.76 crore women entrepreneurs in 2015-16 and loans amounting to Rs.37,805 crore have been sanctioned to 1.58 crore women entrepreneurs during the current financial year.
